

JAN 22 2016

A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST PELATRON POWER EVOLUTION LLC.

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

1 SECTION 1. The legislature finds that support for the
2 development of renewable and efficient energy systems in the
3 State, which is geographically isolated from many fossil fuel
4 sources, continues to be in the public interest. Pelatron Power
5 Evolution LLC offers sustainable solutions for the generation of
6 renewable energy and waste management through the development of
7 renewable energy power plants. Pelatron Power Evolution LLC's
8 power plants use a proven gasification and other renewable
9 energy applications to convert bio matter into clean and
10 renewable base load and on-demand energy. These systems aide in
11 the State's goals to achieve a one hundred per cent renewable
12 energy standard by 2045 and assist municipalities by providing a
13 cheaper and environmentally sound alternative to landfilling
14 municipal solid wastes and other waste streams. The development
15 of these renewable energy plants will contribute to the State's
16 energy security, reduce the State's carbon footprint, reduce the



1 environmental impact of landfilling waste, and add living wage
2 jobs to the economy.

3 The legislature further finds that the benefits of the
4 development of waste-to-energy power plants include the
5 following:

- 6 (1) Reduction of greenhouse gas emissions;
- 7 (2) Reduction of landfill waste streams;
- 8 (3) Reduction of transportation and disposal costs;
- 9 (4) Creation of local technical and semi-technical jobs;
- 10 (5) Production of renewable energy for local communities,
11 which reduces the State's net import of energy and
12 increases domestic wealth, self-sufficiency, and
13 energy security; and
- 14 (6) Assistance to meet the State's renewable energy goals.

15 The legislature further finds that Pelatron Power Evolution
16 LLC's work in creating alternative energy for the State is an
17 industrial enterprise, its development of waste-to-energy power
18 plants is a project as defined in part V, chapter 39A, Hawaii
19 Revised Statutes, and the project may be assisted through the
20 issuance of special purpose revenue bonds.



1 The purpose of this Act is to authorize the issuance of
2 special purpose revenue bonds to assist Pelatron Power Evolution
3 LLC and any company in which Pelatron Power Evolution LLC is a
4 general partner, with the development of renewable energy power
5 plants within the State.

6 The legislature finds and declares that the issuance of
7 special purpose revenue bonds under this Act is in the public
8 interest and for the public health, safety, and general welfare.

9 SECTION 2. Pursuant to part V, chapter 39A, Hawaii Revised
10 Statutes, the department of budget and finance, with the
11 approval of the governor, is authorized to issue special purpose
12 revenue bonds in a total amount not to exceed \$63,000,000, in
13 one or more series, for the purpose of assisting Pelatron Power
14 Evolution LLC, a Hawaii corporation, or any firm in which
15 Pelatron Power Evolution LLC is a general partner, for the
16 development of renewable energy power plants within the State.
17 The legislature hereby finds and determines that the
18 establishment of waste-to-energy power plants that use Pelatron
19 Power Evolution LLC's renewable energy development activities
20 constitute a project as defined in part V, chapter 39A, Hawaii



1 Revised Statutes, and the financing thereof is assistance to an
2 industrial enterprise.

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

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



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 on July 1, 2016.

4

INTRODUCED BY: *Freddie R. Prange*



S.B. NO. 2368

Report Title:

Special Purpose Revenue Bonds; Pelatron Power Evolution LLC;
Waste-to-Energy Power; Appropriation

Description:

Authorizes the issuance of special purpose revenue bonds to assist Pelatron Power Evolution LLC with the development of renewable energy power plants within the State.

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