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WRITTEN ONLY

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**STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE**

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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
ON
HOUSE BILL NO. 2592**

February 9, 2016
8:00 A.M.

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

House Bill No. 2592 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) up to \$63,000,000 to provide financing to assist Pelatron Power Evolution LLC with the development of renewable energy power plants within the State pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of SPRB issuance will require further discussion and satisfactory credit underwriting review of the financing components with respect to any proposed financing.

The Department also recommends an amendment to Section 4 of the bill, as follows (new language underlined):

“SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to June 30, 2021, to issue special purpose revenue bonds...”

The amendment to Section 4 will allow the special purpose revenue bonds to be refunded after the sunset date of the authorization.

Thank you for the opportunity to provide testimony on this measure.

**Testimony of Gary M. Slovin/Mihoko E. Ito
on behalf of PVT Land Co.**

Date: February 7, 2016

To: Representative Chris Lee
Chair, Committee on Energy & Environmental Protection

Re: **H.B. 2592, Relating to the Issuance of Special Purpose Revenue Bonds to Assist
Pelatron Power Evolution LLC**
Hearing Date: Tuesday, February 9, 2016 at 8:00a.m.
Conference Room: 325

Dear Chair Lee and Members of the Committee on Energy and Environmental Protection:

PVT Land Company submits this testimony in **support** of H.B. 2592, which authorizes the issuance of Special Purpose Revenue Bonds to assist Pelatron Power Evolution LLC.

PVT supports the production of clean renewable energy from locally produced solid waste. The development of waste-to-energy power plants will not only contribute to the State's energy security, but will also reduce the State's carbon footprint and the environmental impact of landfilling waste while adding living-wage jobs to the State's economy

For these reasons, PVT Land Company supports H.B. 2592 and respectfully requests this committee to pass the measure. Thank you for the opportunity to submit this testimony.