

SB 3121

RELATING TO
AUTHORIZING THE ISSUANCE OF
SPECIAL PURPOSE REVENUE
BONDS TO ASSIST PQ ENERGY
LLC



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 SENATE COMMITTEE ON TRANSPORTATION AND ENERGY
ON
SENATE BILL NO. 3121

February 17, 2016
2:45 P.M.

**AUTHORIZING THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST PQ ENERGY LLC**

Senate Bill No. 3121 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) up to \$63,000,000 to provide financing to assist PQ Energy LLC and to be formed special purpose entities with the development and construction of renewable energy plants within the State of Hawaii pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

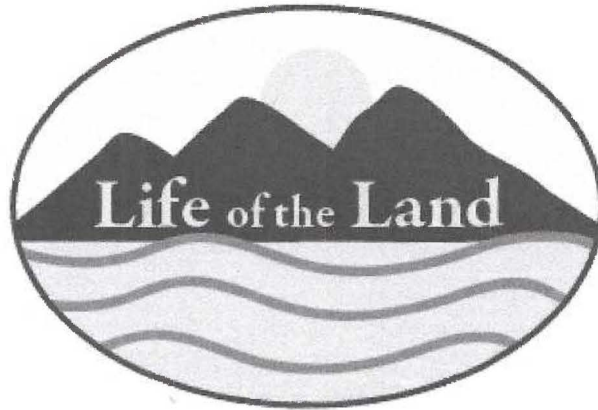
The Department is providing comments only to advise the Legislature and prospective SPRB parties that should the legislation be approved, approval of SPRB issuance will require further discussion and satisfactory credit underwriting review of the financing components with respect to any proposed financing.

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

“SECTION 4. The department of budget and finance is authorized, from time to time, including times subsequent to ~~July 1, 2016~~ 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.



P.O. Box 37158, Honolulu, Hawai`i 96837-0158
Phone: 927-0709 henry.lifeoftheland@gmail.com

COMMITTEE ON TRANSPORTATION AND ENERGY
Senator Lorraine R. Inouye, Chair
Senator Mike Gabbard, Vice Chair

DATE: Wednesday, February 17, 2016
TIME: 2:45 p.m.
PLACE: Conference Room 225

Re: SB 3121 SPRBs for PQ Energy LLC **HOLD**

Aloha Chair Inouye, Vice Chair Gabbard, and Member of the Committees

Life of the Land is Hawai`i's own energy, environmental and community action group advocating for the people and `aina for 46 years. Our mission is to preserve and protect the life of the land through sound energy and land use policies and to promote open government through research, education, advocacy and, when necessary, litigation.

PQ Energy LLC is not registered with the DCCA Business Registration Division (BREG) and has no web site. Therefore it is premature for PQ Energy LLC to request funding.

Mahalo

Henry Curtis
Executive Director

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

DATE: February 16, 2016

TO: Senator Lorraine Inouye
Chair, Committee on Transportation and Energy
Submitted Via TRETestimony@capitol.hawaii.gov

RE: **S.B. 3121 – Authorizing the Issuance of Special Purpose Revenue Bonds to Assist PQ Energy LLC.**
Hearing Date: Wednesday, February 17, 2016 at 2:45 p.m.
Conference Room: 225

Dear Chair Inouye and Members of the Committee:

PVT Land Company submits this testimony in **support** of S.B. 3121, which authorizes the issuance of Special Purpose Revenue Bonds to assist PQ Energy 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 S.B. 3121 and respectfully requests this committee to pass the measure.

Thank you for the opportunity to submit this testimony.

Gary M. Slovin
Mihoko E. Ito
C. Mike Kido
Tiffany N. Yajima

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Honolulu, HI 96813
(808) 539-0840

Kaala Coleman

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 16, 2016 12:47 PM
To: TRE Testimony
Cc: kekoa.mcclellan@pelatronpower.com
Subject: Submitted testimony for SB3121 on Feb 17, 2016 14:45PM

SB3121

Submitted on: 2/16/2016

Testimony for TRE on Feb 17, 2016 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Kekoa McClellan	PQ Energy LLC	Support	Yes

Comments: Mahalo for your continued support of renewable energy projects in Hawaii. I will be present to answer any questions you have in detail.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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