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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)

WRITTEN ONLY

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
ON
SENATE BILL NO. 1104

March 21, 2017

8:30 A.M.

Room 325

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.

Senate Bill No. 1104 authorizes the issuance of Special Purpose Revenue Bonds (SPRB) up to \$20,000,000 to assist Maui All Natural Alternative, LLC, with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui 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 the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link:

<http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

**SB 1104
RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC**

**PAUL T. OSHIRO
MANAGER – GOVERNMENT RELATIONS
ALEXANDER & BALDWIN, INC.**

MARCH 21, 2017

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

I am Paul Oshiro, testifying on behalf of Alexander & Baldwin, Inc. (A&B) on SB 1104, “RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC.” We support this bill.

The purpose of this bill is to authorize the issuance of special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

As a tax exempt means of financing qualified projects in the interest of the general public, we understand that the special purpose revenue bonds authorized in this bill will provide important financial support to MANA to develop and construct a commercial-scale bioenergy facility on Maui. The planned facility is expected to generate biomethane from the anaerobic digestion of purpose grown energy crops that will be cultivated on former HC&S sugar cane lands in Central Maui. The approval of this bill will provide valuable State assistance to enable MANA to pursue this public

purpose project, advance the commercialization of crop-to-renewable energy pathways in Hawaii, and assist in keeping former Central Maui sugar cane lands in active agricultural production.

Based on the aforementioned, we respectfully request your favorable consideration on this bill. Thank you for the opportunity to testify.



State House
Committee on Energy and Environmental Protection

Tuesday, March 21st, 2017
8:30am, Conference Room 325

SB 1104 RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST MAUI ALL NATURAL ALTERNATIVE, LLC

Representative Chris Lee, Chair and Members of the Committee on Energy and Environmental Protection:

My name is Jeff Walsh, Project Development Manager for Maui All Natural Alternative LLC (MANA). Through our partnerships we are positioned as a global leader in offering sustainable solutions for the generation of renewable energy and the conversion of waste to resources and a technology leader in recovering value from waste for the municipal, industrial, and agriculture sectors.

I am here testifying in **SUPPORT** of **SB 1104**, which authorizes the issuance of special purpose revenue bonds to assist MANA with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui.

MANA with local interests and relationships is involved with the promotion of renewable energy and environmental sustainability for the County of Maui and the State of Hawaii including the following project attributes:

1. The project delivers renewable energy and diversion of solid waste.
2. The project has no public funds at risk.
3. The project is in the public interest.

Thank you for the opportunity to provide information and we look forward to your passage of this measure.



Email: communications@uluponoinitiative.com

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION
Tuesday, March 21, 2017 – 8:30 a.m. – Room 325

Ulupono Initiative Strongly Supports SB 1104, Relating to the Issuance of Special Purpose Revenue Bonds to Assist Maui All Natural Alternative, LLC.

Dear Chair Lee, Vice Chair Lowen, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and reduce waste. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono strongly supports SB 1104, which authorizes the issuance of special purpose revenue bonds to assist Maui All Natural Alternative, LLC (MANA) with the development of a project to provide municipal sludge processing and renewable energy at the Wailuku-Kahului wastewater reclamation facility on Maui. This is a public purpose project that combines beneficial use of municipal sludge, demonstrates on a commercial scale, firm renewable energy produced from energy crops harvested on Maui, and promotes environmental sustainability and agricultural diversification on former plantation lands. It will help provide pathways for larger scale agriculture in Hawai'i, which is needed due to the departure of pineapple and sugar plantations in our state's recent history. This project, which will continue to be funded through private sources, helps to address many of the state's and counties' sustainability goals.

Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

Investing in a Sustainable Hawai'i

From: mailinglist@capitol.hawaii.gov
Sent: Saturday, March 18, 2017 3:02 PM
To: EEPtestimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for SB1104 on Mar 21, 2017 08:30AM*

SB1104

Submitted on: 3/18/2017

Testimony for EEP on Mar 21, 2017 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

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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LATE

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, March 21, 2017 8:22 AM
To: EEPtestimony
Cc: begoniabarry@gmail.com
Subject: *Submitted testimony for SB1104 on Mar 21, 2017 08:30AM*

SB1104

Submitted on: 3/21/2017
Testimony for EEP on Mar 21, 2017 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Barbara Barry	Individual	Oppose	No

Comments:

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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