
A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS FOR
THE NUUANU HYDROELECTRICITY PROJECT.

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

1 SECTION 1. Nuuanu reservoir #4 is an essential component
2 in the Nuuanu hydroelectricity project, which will connect
3 existing reservoirs in Nuuanu valley to generate renewable
4 hydroelectric energy, provide energy storage of off-peak solar
5 or wind energy supplies, and supplement usable groundwater
6 supplies through the increase of groundwater recharge of
7 captured stormwater. Nuuanu reservoir #4 needs to be upgraded
8 to facilitate this project. The legislature finds that part
9 XII, chapter 39A, Hawaii Revised Statutes, permits the State to
10 assist dam and reservoir owners.

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

14 SECTION 2. Pursuant to part XII, chapter 39A, Hawaii
15 Revised Statutes, the department of budget and finance, with the
16 approval of the governor, is authorized to issue special purpose
17 revenue bonds in a total amount not to exceed \$6,400,000, in one



1 or more series, for the purpose of assisting the Honolulu board
2 of water supply, a municipal water utility, to upgrade Nuuanu
3 reservoir #4 to meet state dam safety standards as part of the
4 Nuuanu hydroelectricity project. The legislature hereby finds
5 and determines that Nuuanu reservoir #4 constitutes a project as
6 defined in part XII, chapter 39A, Hawaii Revised Statutes, and
7 the financing thereof is assistance to dam and reservoir owners.

8 SECTION 3. The special purpose revenue bonds and the
9 refunding special purpose revenue bonds issued under this Act
10 shall be issued pursuant to part XII, chapter 39A, Hawaii
11 Revised Statutes, relating to the power to issue special purpose
12 revenue bonds to assist dam and reservoir owners.

13 SECTION 4. The department of budget and finance is
14 authorized, from time to time, including times subsequent to
15 June 30, 2023, to issue special purpose revenue bonds in
16 whatever principal amounts the department shall determine to be
17 necessary to refund the special purpose revenue bonds authorized
18 in section 2 and to refund special purpose revenue bonds
19 authorized in this section, regardless of whether the
20 outstanding special purpose revenue bonds or refunding special
21 purpose revenue bonds have matured or are the subject of



1 redemption or whether the refunding special purpose revenue
2 bonds shall be bonds for the multi-project programs described in
3 section 2. In making this determination, the department shall
4 comply with federal law relating to the exemption from federal
5 income taxation of the interest on bonds of the nature
6 authorized by this section.

7 SECTION 5. The authorization to issue special purpose
8 revenue bonds under this Act shall lapse on June 30, 2023.

9 SECTION 6. This Act shall take effect on July 1, 2018.



Report Title:

Special Purpose Revenue Bonds; Nuuanu Managed Aquifer Recharge and Pumped Storage Hydroelectricity Project

Description:

Authorizes the issuance of special purpose revenue bonds to assist the Board of Water Supply in upgrading Nuuanu reservoir #4 to meet state dam safety standards, as a component of the Nuuanu hydroelectricity project. (HB635 CD1)

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