
A BILL FOR AN ACT

RELATING TO SPECIAL PURPOSE REVENUE BONDS FOR ELECTRIC PUBLIC UTILITIES.

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

1 SECTION 1. The legislature finds and declares that the
2 issuance of special purpose revenue bonds under this Act is in
3 the public interest and for the public health, safety, and
4 general welfare.

5 SECTION 2. Pursuant to part VI, chapter 39A, Hawaii
6 Revised Statutes, the department of budget and finance, with the
7 approval of the governor, is authorized to issue special purpose
8 revenue bonds in a total amount not to exceed \$700,000,000, in
9 one or more series, for the purpose of assisting Hawaiian
10 Electric Company, Inc., and including its subsidiaries Maui
11 Electric Company, Limited, and Hawaii Electric Light Company,
12 Inc., Hawaii corporations, for multi-project capital improvement
13 programs, including costs to cover the acquisition of land or
14 the construction or acquisition of facilities used or related to
15 the production, transmission, or distribution of electricity, or
16 any combination thereof; provided that the approval of the



1 public utilities commission shall be required for any project
2 financed by the issuance of special purpose revenue bonds under
3 this Act. The special purpose revenue bonds shall be issued for
4 the aforementioned purposes in the following distribution:

5 (1) Up to \$400,000,000 for Hawaiian Electric Company,
6 Inc.;

7 (2) Up to \$150,000,000 for Maui Electric Company, Limited;
8 and

9 (3) Up to \$150,000,000 for Hawaiian Electric Light
10 Company, Inc.

11 The legislature hereby finds and determines that the capital
12 improvement projects and programs of Hawaiian Electric Company,
13 Inc., and its subsidiaries Maui Electric Company, Limited, and
14 Hawaii Electric Light Company, Inc., constitute a project as
15 defined in part VI, chapter 39A, Hawaii Revised Statutes, and
16 the financing thereof is assistance to utilities serving the
17 general public in providing electric energy.

18 SECTION 3. The special purpose revenue bonds and the
19 refunding special purpose revenue bonds issued under this Act
20 shall be issued pursuant to part VI, chapter 39A, Hawaii Revised
21 Statutes, relating to the power to issue special purpose revenue



1 bonds to assist utilities serving the general public in
2 providing electric energy.

3 SECTION 4. The department of budget and finance is
4 authorized, from time to time, including times subsequent to
5 June 30, 2024, to issue special purpose revenue bonds in
6 whatever principal amounts the department shall determine to be
7 necessary to refund the special purpose revenue bonds authorized
8 in section 2 and to refund special purpose revenue bonds
9 authorized in this section, regardless of whether the
10 outstanding special purpose revenue bonds or refunding special
11 purpose revenue bonds have matured or are the subject of
12 redemption or whether the refunding special purpose revenue
13 bonds shall be bonds for the multi-project programs described in
14 section 2. In making this determination, the department shall
15 comply with federal law relating to the exemption from federal
16 income taxation of the interest on bonds of the nature
17 authorized by this section.

18 SECTION 5. The authorization to issue special purpose
19 revenue bonds under this Act shall lapse on June 30, 2024.

20 SECTION 6. This Act shall take effect on July 1, 2019.



Report Title:

Special Purpose Revenue Bond; Hawaiian Electric Company; Capital Improvement Projects; Capital Improvement Programs

Description:

Authorizes special purpose revenue bonds for Hawaiian Electric Company, Inc. and its subsidiaries Maui Electric Company and Hawaii Electric Light Company for multi-project capital improvement programs. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

